

MEMORANDUM

TO: Commissioners Hardy, Hadley, Landis, Server and Ziegner

FROM: Jerry L. Webb, Director of Gas/Water/Sewer Division

DATE: April 6, 2006

RE: Utility Articles for Next Conference

The following Final Articles A are submitted to each of you to acquaint you with the tariffs eligible for action or acceptance on or after April 12, 2006.

“A” Final

The following new miscellaneous items will be eligible for final consideration at the next Commission Conference and based upon a review of them by staff members of the Commission, I recommend approval.

1. Anderson Municipal Water Utility

The Utility is proposing to increase the connection (tap-on) charge for a ¾ inch meter from \$266.63 to \$820.00. All connections over a ¾ inch tap will be billed at cost, no less than \$820.00. The Utility also proposes to increase the Bad Check Charge from \$10.00 to \$30.00 and increase Service Call charges from \$20.00 during normal hours and \$75.00 for overtime hours to \$35.00 and \$155.00 respectively, as well as, increase Reconnect for Non-Payment charges during regular hours from \$20.00 to \$35.00 and during overtime hours from \$50.00 to \$155.00. The utility would also like to remove some items currently listed on its tariff. “Reconnect Trip for No-Show” is currently listed at \$10.00. This is no longer assessed because this is treated as a reconnect charge whether or not customer is present. The Utility would like to eliminate the “Meter Test” charge for they no longer desire to charge this fee. In the “Service Call” section, it is proposed to eliminate the “Normal Hours – Customer Shut-off Installed” charge because there is currently no charge for this and the utility does not plan to charge for shut-offs. The utility would also like to delete the “No Customer Shut-off Installed” description so this charge reflects a broader nature of the service call performed. The “Credit Agreement Fee” and “Meter Reading Charge” are being proposed to be removed because they are no longer charged. The “Deposits” section is proposed to be removed from the tariff and moved to “Terms and Conditions” at a later time. And last, in the “Water Taps” section the Utility proposes to remove “Unimproved Street” for this section is no longer applicable. Cost support has been provided.

Description	Current Charges	Proposed Charges
Bad Check Charge	\$10.00	\$30.00
Reconnect for Non-Payment (Regular Hours)	\$20.00	\$35.00
Reconnect for Non-Payment (Overtime Hours)	\$50.00	\$155.00
Service Call Charge (Normal Hours)	\$20.00	\$35.00
Service Call Charge (Overtime Hours)	\$50.00	\$155.00
Tap Charge ¾ inch meter	\$266.63	\$820.00
Tap Charge over ¾ inch meter	Billed at Cost	Billed at cost, not less than \$820.00

The tariff pages affected by this filing are pages 3 and 4 of 4.

2. Indianapolis Department of Waterworks

The utility, having recently sold the Liberty Water System (the "System") in Hendricks County to the Town of Plainfield, is proposing to cancel the tariffs associated with the System. The utility has supplied a copy of the asset purchase agreement between the Indianapolis Department of Waterworks and the town of Plainfield in support of its request.

The tariff pages affected by this filing are pages 1, 2, and 3 of the Liberty Water System section of the utility's tariff.

3. Southern Indiana Gas and Electric Company (Electric)

The utility seeks Commission approval of new Rider CAAA factors to be effective during [2006](#).

The Commission approved the utility's environmental compliance plan by its order issued October 14, 1992, in Cause No. 39347 and adopted the Stipulation and Agreement of the parties to that Cause. The Stipulation and Agreement required the utility to file a tariff rider to its electric tariff for the pass through to the utility's ratepayers of proceeds received by the utility from the sale of "Extra Extension Allowances" received from the U.S. Environmental Protection Agency ("EPA"). Credit factors were to be calculated annually and applied during the calendar years 1995, 1996, 1997, 1998 and 1999 to accomplish the pass through. The pass through of proceeds received from the sale of the Extra Extension Allowances was completed in 1999.

In the order issued in Cause No. 39347, there was also provision to pass through the proceeds from sales of allowances other than Extra Extension Allowances by way of an adjustment (Credit) mechanism which would be filed pursuant to the Commission's thirty day procedure. This mechanism would require quarterly filings and was designed to refund proceeds from the sale of over compliance allowances.

The Company in its April, 1997 filing, proposed and the Commission approved that the Rider CAAA filing be revised to provide for the pass through of the proceeds from the off-system sale of emission allowances and the EPA auction of allowances on an annual basis. The revisions were approved by the other parties to the CAAA proceedings, which were the Office of the Utility Consumer Counselor, Citizens Action Coalition of Indiana and United Mine Workers. Therefore, the proceeds from the off-system sale of allowances and the EPA auction of allowances are included in this filing.

Although Rider CAAA factors are normally credits, they are based on estimated receipts from the sales of allowances, as well as estimated electricity sales. These estimates are reconciled with actual numbers for the previous year. This year's filing has resulted in credit factors for all rate classes.

The Rider CAAA Factors for 2006 are as follows:

Rate A	\$(0.001668) per Kwh
Rate EH	\$(0.000921) per Kwh
Rate B	\$(0.001524) per Kwh
Rate GS	\$(0.000926) per Kwh
Rate OSS	\$(0.001126) per Kwh
Rate LP	\$(0.000676) per Kwh
Rate HLF	\$(0.000611) per Kwh

The tariff sheet affected by this filing is: 15 B.

4. Tri-Township Water Corporation

The Utility is proposing to increase its tap fee. The proposed tap fee of \$1,100 for a standard 5/8 X 3/4 inch connection is an increase from the current charge of \$960. The proposed change is necessitated by the additional cost of material, labor, and equipment associated with customer taps as supported by the cost information.

The tariff sheet affected by this filing is:

Page 1 of the Schedule of Water Rates and Charges.

Jerry L. Webb
Director of Gas/Water/Sewer Division